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April 27, 2020

UNIVERSITY OF CALIFORNIA UNION LEADERS

Dear Colleagues:

I hope you and your families are healthy and well during this trying time.

I trust that you have become aware of the tremendous financial challenges the University, and in fact, the State and nation, are confronting as a result of the COVID-19 pandemic. There is no way or reason to sugarcoat the current situation. This is one of the direst economic circumstances that the University will face in its 152-year history; the current fiscal challenges may likely dwarf those we confronted during the Great Recession of 2007-09. In order to provide a more complete financial picture of what we are facing as an institution, I have attached a copy of my April 15th letter to Governor Newsom, Senate pro Tem Atkins, and Assembly Speaker Rendon. Despite these difficulties, the University intends to honor all of its existing contractual commitments for increases through the end of the 2019-20 fiscal year and the recent pledge that the University made to not lay off any career employees due to COVID-19 through June 30, 2020.

Now we must look to the year ahead and the tremendous difficulties that it poses for the University. While we do not have a complete picture of what our budget will look like for FY 2020-21, we can say with certainty that just in the last two weeks of March alone, UC experienced nearly \$590 million in cost increases and revenue losses. Consequently, I am reaching out to you, as our partners, to meet with us to discuss the University's financial future with the hope of reaching a consensus on how best to confront the ongoing COVID-19 crisis together and navigate the difficult year ahead. I would appreciate your participating in a video meeting with myself and Board of Regents Chair Pérez as soon as practicable to share ideas about how to best meet the economic challenges the University faces and to ensure its long-term financial health. Please expect a calendar invite from a member of my staff to arrive shortly.

Chair Pérez and I look forward to our continued collaboration in the months ahead.

Yours very truly,

Janet Napolitano
President

University of California Union Leaders

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cc: Chair Pérez
Executive Vice President and COO Nava
Executive Vice President and CFO Jenny
Interim Vice President Lloyd
Chief of Staff and Chief Policy Advisor Kao
Executive Director Chester